

# HOUSE BILL REPORT

## 2SHB 1574

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**As Passed House:**

March 12, 1999

**Title:** An act relating to administering atypical antipsychotic medications.

**Brief Description:** Administering atypical antipsychotic medications.

**Sponsors:** By House Committee on Health Care (Originally sponsored by Representatives Alexander, Parlette, Cody, Radcliff, O'Brien, Schual-Berke, Reardon, Quall, Santos, Cooper, Linville, Ericksen and Hurst).

**Brief History:**

**Committee Activity:**

Health Care: 2/12/99, 2/19/99 [DPS];

Appropriations: 3/5/99, 3/6/99 [DP2S(w/o sub HC)].

**Floor Activity:**

Passed House: 3/12/99, 94-1.

**Brief Summary of Second Substitute Bill**

- Establishes a separate mental health funding mechanism for distributing atypical antipsychotic medications to regional support networks for serving non-Medicaid eligible persons in crisis.
- Includes an evaluation program.
- Requires that drug purchases be made by the Department of Social and Health Services through competitive procurement, not exceeding Medicaid rates.

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Cody, Democratic Co-Chair; Parlette, Republican Co-Chair; Pflug, Republican Vice Chair; Schual-Berke, Democratic Vice Chair; Alexander; Campbell; Conway; Edmonds; Edwards; Mulliken and Ruderman.

**Minority Report:** Do not pass. Signed by 1 member: Representative Boldt.

**Staff:** John Welsh (786-7133).

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Health Care. Signed by 29 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Alexander, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Barlean; Benson; Carlson; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Mulliken; Parlette; Regala; Rockefeller; Ruderman; Tokuda and Wensman.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Boldt and Sullivan.

**Staff:** Deborah Frazier (786-7152).

### **Background:**

The Department of Social and Health provides funding to regional support networks for providing of mental health services in the community. Counties or groups of counties operate as regional support networks for serving the mental health needs of Medicaid-eligible persons and other low-income persons who are acutely or chronically mentally ill or seriously disturbed. The regional support networks contract with community mental health centers and other mental health providers, and currently serve some 105,000 outpatients in the community. The services include a crisis response system, outpatient treatment, case management, residential and housing supports, and psychiatric care in community hospitals and the state mental hospitals. The public mental health system must provide crisis care regardless of the person's ability to pay or eligibility for Medicaid assistance.

Approximately 30 percent of persons who suffer serious mental illness do not qualify for Medicaid assistance benefits, nor do they have resources to needed antipsychotic medications, especially the newer atypical antipsychotic medications. The conventional antipsychotic medications are less effective and have serious and irreversible side effects. The newer atypical antipsychotic medications show early, drastic reductions in total mental health treatment costs, without the serious side effects.

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### **Summary of Bill:**

There is a declaration of legislative intent that the Mental Health Division of the Department of Social and Health Services establish a funding mechanism for distributing specific appropriations for atypical antipsychotic medications to the regional support networks. This is separate from the funding formula for providing general mental health services to the community. This funding mechanism will maximize federal funding opportunities and target underserved groups. Such groups include none-Medicaid eligible persons in crisis, the working poor, and persons transitioning from jail and state corrections facilities. The department must assure Medicaid eligibility where possible, but lack of Medicaid eligibility must not be a criterion for excluding the use of atypical antipsychotic medications.

An evaluation program is established to assess whether the availability of atypical antipsychotic medications results in cost savings to the state and positive treatment outcomes.

Atypical antipsychotic medications are purchased through competitive procurement and must not exceed rates paid by the department under the Medicaid program.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed. However, the bill is null and void unless funded in the budget.

**Testimony For:** (Health Care) Approximately 30 percent of the mentally ill go untreated, unable to qualify for Medicaid assistance, yet without resources to seek needed medications, including atypical antipsychotic medications. These new atypical medications show great promise in reducing total treatment costs and will also serve to avoid public safety problems resulting from anti-social behaviors.

(Appropriations) (Substitute bill) It is difficult for people who are not Medicaid eligible to get mental health services, especially medications. Many are homeless, and without an address, one cannot obtain Medicaid eligibility. Without these drugs, there is an effect on local government budgets. Also, the untreated homeless mentally ill can have a big impact on local businesses. The bill is good, but it needs funding with new money.

**Testimony Against:** (Health Care) The Department of Social and Health Services believes that the mental health system is not present to support the non-Medicaid population. More than medication is necessary to properly evaluate and treat these

people. Others believe that antipsychotic drugs actually create the symptoms associated with schizophrenia and paranoia, and are not certain remedies.

(Appropriations) (Substitute bill) The bill is acceptable in concept, but since the funding is not in the Governor's proposed budget, the DSHS cannot support the bill. The bill should not be supported because it is supported and promoted by the drug companies which will profit from the use of these drugs. Medical care would help people more than psychiatric treatment and psychiatric drugs.

**Testified:** (Health Care) (support) Representative Alexander, prime sponsor; Eleanor Owen, Washington Advocates for the Mentally Ill; Elizabeth Bruce; Peter Bruce; Rick Sherry; Lou Eagle, Seattle Police Department; Beth Anderson, Department of Corrections; Tom Richardson, National Association for the Mentally Ill; Roberta Fletcher, Consumer; Ken Taylor, Washington Community Mental Health Council; and Representative Al O'Brien.

(Health Care) (support w/concerns) Jean Wessman, Washington Association of Counties.

(Health Care) (oppose) Richard Warner, Citizen's Commission on Human Rights; Steve Norsen, Mental Health Division, Department of Social & Health Services; and Keith Hoessler, Center for the Study of Psychiatry Northwest.

(Appropriations) (In support) Representative O'Brien, sponsor; Deanne Kopkas, Sisters of Providence Health System; and Brad Boswell, NAMI.

(Appropriations) (Opposed) Jann Hoppler, Department of Social and Health Services, Mental Health Division; and Steven Pearce, CCHR Seattle.